

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

RE: ECF No. 4465

**AAFAF'S MOTION TO INFORM REGARDING NOTICE OF FILING OF AGREED PROPOSED ORDER GRANTING MOTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR ORDER UNDER BANKRUPTCY RULE 2004
AUTHORIZING DISCOVERY OF TITLE III DEBTORS**

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), as the entity authorized to act on behalf of the Commonwealth, HTA, PREPA and ERS, pursuant to the authority granted to it under the Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017, respectfully submits this Motion to Inform (the “Motion”) regarding the “*Notice of Filing of Agreed Proposed Order Granting the Motion of Official Committee of Unsecured Creditors for Order, Under Bankruptcy Rule 2004, Authorizing Discovery of Title III*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Debtors, Other than COFINA, Concerning Potential Avoidance Actions” (the “Unsecured Creditors’ Committee”) [ECF No. 4465 the “Notice”].

1. On November 27, 2018, the Unsecured Creditors’ Committee filed the motion requesting that the Court: (i) authorize the Unsecured Creditors’ Committee’s request for the production of documents concerning potential avoidance actions pursuant to Federal Rule of Bankruptcy Procedure 2004, (ii) authorize the issuance of the document request contained in Exhibit B of the Motion, and (iii) direct the Debtors (other than COFINA) to meet and confer in good faith with the Unsecured Creditors’ Committee regarding the timing of document discovery in response to the Document Request [ECF No. 4373, the “Rule 2004 Motion”].

2. Exhibit B of the Motion (the “Document Request”) requests that the Debtors produce the following information:

“With respect to any Transfer by You having a value of \$3,000,000 or more during the Applicable Period, produce either a list of or other documents sufficient to identify: (i) the amount of such Transfer, (ii) the date of such Transfer, (iii) the Person who received such Transfer and/or the Person on whose behalf the Transfer was made, and (iv) a brief description of the nature of the Transfer sufficient to explain the purpose for which the Transfer was made.”

3. The Unsecured Creditors’ Committee asserts the need for the Document Request to investigate and preserve any potential avoidance actions that could be brought against third parties pursuant to 11 U.S.C. § 546(a)(1)(A).

4. On December 9, 2018, AAFAF filed a response to the Rule 2004 Motion [ECF No. 4435, the “Response”].

5. On December 13, 2018, the Unsecured Creditors’ Committee filed the Notice, including therein a proposed order, consented to by, among others, AAFAF, granting the Rule 2004 Motion.

6. As anticipated in the Response, AAFAF hereby informs the Court that it supports the voluntary sharing of the information and documents responsive to the Rule 2004 Motion with the Unsecured Creditors Committee and the Financial Oversight and Management Board for Puerto Rico and supports the efforts to evaluate and understand the scope of potential avoidance actions. AAFAF continues engaged in productive discussions with the Unsecured Creditors' Committee over the appropriate scope of the information and documents to be produced.

WHEREFORE, AAFAF respectfully requests that this Court (i) take notice of the above, and (ii) grant any further relief the Court deems just and proper.

Dated: December 13, 2018
San Juan, Puerto Rico

Respectfully submitted,

/s/ John J. Rapisardi

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